

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

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*In the Matter of:*

Gwynedd, PA Station  
Gwynedd, PA 19436-9998  
(Christina Surowiec, Petitioner)

Docket No. A2011-15

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**COMMENTS OF UNITED STATES POSTAL SERVICE**

(June 27, 2011)

By means of Order No. 726 (May 9, 2011), the Postal Regulatory Commission docketed correspondence from a customer of Gwynedd Station in Gwynedd, Pennsylvania, assigning PRC Docket No. A2011-15 as an appeal pursuant to 39 U.S.C. § 404(d). The Postal Service renews the arguments set forth in its Notice of Filing<sup>1</sup> and its Comments in PRC Docket No. A2010-3<sup>2</sup> (“A2010-3 Comments”). In addition, this comment includes references to the administrative record supporting the Postal Service’s final determination to close Gwynedd Station that the Postal Service is filing with the Commission.<sup>3</sup>

This appeal concerns a station, and not a Post Office for purposes of 39 U.S.C. § 404(d). As described in the A2010-3 Comments (at 5-9), section 404(d) does not apply to retail locations such as stations which are subordinate to a Post Office. In the Postal Service’s view, Congress knowingly used “Post Office” in its technical sense thereby excluding stations and branches, as demonstrated

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<sup>1</sup> Notice of United States Postal Service, PRC Docket No. A2011-15 (May 18, 2011).

<sup>2</sup> Comments of United States Postal Service Regarding Jurisdiction Under (Current) Section 404(d), PRC Docket No. A2010-3 (April 19, 2010).

<sup>3</sup> See United States Postal Service Notice of Filing and Application for Non-Public Status, PRC Docket No. A2011-15, June 27, 2011.

in the legislative history, and because Congress had used “Post Office” in its technical sense for well over a century.

In addition to the Postal Service’s position summarized above and addressed in more detail in PRC Docket Nos. A2010-3 and N2009-1, the procedural requirements of 39 U.S.C. § 404(d) do not apply here because the discontinuance of Gwynedd Station does not qualify as a closure envisioned by 39 U.S.C. § 404(d). As recognized in PRC Docket No. A2010-3, the section 404(d) procedural requirements do not apply where postal customers do not lose access to postal services due to the location of alternate retail facilities in “close proximity” to the discontinued station. See Order No. 477, PRC Docket No. A2010-3 (June 22, 2010) at 7-8. In this case, affected customers will not lose access to postal services because they may obtain services from 4 retail facilities located within 2.0 miles of Gwynedd Station, including the Gwynedd Valley retail facility that is located within 1.1 mile(s) of Gwynedd Station and the North Wales retail facility that is located within 1.8 miles of Gwynedd Station. In addition, multiple expanded access options are located within 2.0 miles of Gwynedd Station. These options include stamp consignment sites at a Whole Foods Market, a Staples store, a Wells Fargo Bank, and a Genuardi Supermarket that are located within 1.5 miles of Gwynedd Station. See Notice of United States Postal Service, PRC Docket No. A2011-15 (May 18, 2011) (“Notice”) at 2-3, Exhibits 2 and 3.

Even assuming the section 404(d) requirements were applied in the context of the discontinuance of Gwynedd Station, the Postal Service satisfied

the salient provisions of section 404(d). The Postal Service distributed a letter dated February 15, 2011, to customers of the Gwynedd Station notifying them of the possible discontinuance of the Gwynedd Station and of a March 3, 2011, community meeting, and inviting comments on the potential change to the postal retail network.<sup>4</sup> Through this notification and a posted notice,<sup>5</sup> the Postal Service furnished customers with well over 60 days' notice of the Postal Service's intention to consider discontinuance of the facility. On March 3, 2011, the Postal Service held a public meeting at Gwynedd, during which the Postal Service provided more information regarding the potential discontinuance and allowed customers to comment on and ask questions related to the potential discontinuance.<sup>6</sup> Upon making the final decision to discontinue Gwynedd Station, the Postal Service announced its decision publicly through a letter to customers dated April 4, 2011.<sup>7</sup>

In addition, the Postal Service considered all of the pertinent criteria of section 404(d), including the effect on postal services, the community, and employees, and the economic savings arising from the discontinuance.<sup>8</sup> The appeal received by the Commission on May 3, 2011 and the Petitioner's initial

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<sup>4</sup> See Notice of United States Postal Service, PRC Docket No. A2011-15 (May 18, 2011), at Exhibit 4. Item No. 22, Letter from Postmaster, North Wales, PA to Postal Customer, dated February 15, 2011. (In these comments, specific items in the administrative record are referred to as "Item \_\_\_\_.")

<sup>5</sup> See Item No. 22, Customer Letter Invitation to Community Meeting, at 2.

<sup>6</sup> See Item No. 23, Community Meeting Roster and Item No. 24, Community Meeting Analysis.

<sup>7</sup> See Notice of United States Postal Service, PRC Docket No. A2011-15 (May 18, 2011), at Exhibit 5; Letter from Philadelphia Metropolitan District Manager to Postal Customer dated April 4, 2011 (included in administrative record).

<sup>8</sup> See Notice of United States Postal Service, PRC Docket No. A2011-15 (May 18, 2011), at Exhibit 1.

brief raise three main issues: (1) the effect on postal services, (2) the impact on the Gwynedd community, and (3) the calculation of economic savings expected to result from discontinuing the Gwynedd Station. As reflected in the Final Determination to Close the Gwynedd, PA Classified Station and Extend City Delivery Service (FD) filed with the Postal Service's Notice of May 18, 2011 in this docket, the Postal Service gave these issues serious consideration. The Postal Service also gave consideration to a number of other issues, including the impact upon postal employees.

In light of declining office revenue,<sup>9</sup> the variety of delivery and retail options (including the convenience of city delivery service),<sup>10</sup> and the expected financial savings, the Post Service decided to close the Gwynedd Station. FD at 4. Regular and effective postal services will continue to be provided to the Gwynedd community in a cost-effective manner upon implementation of the final determination. FD at 1.

The FD indicates that the Gwynedd Station provided service to 141 Post Office Box customers 15 hours per week. Daily retail window transactions averaged 22. FD at 1. Upon implementation of the FD, the clerk will be reassigned to the North Wales Post Office. FD at 3. Office receipts for the last three years were: \$110,643.00 in FY2008, \$74,617.00 in FY2009, and \$64,536.00 in FY2010. The Gwynedd Station had no meter or permit customers. FD at 1.

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<sup>9</sup> See FD, at 1.

<sup>10</sup> See Item No. 24, Community Meeting Analysis, at 1.

Upon implementation of the FD, city delivery service will be administered by the North Wales, Pennsylvania Post Office, located two miles away, and customers will have the option of moving their Post Office Box to the Springhouse, Pennsylvania Station located two miles away.

Below, the Postal Service briefly addresses the issues raised by the Petitioner and intervenors.

The Postal Service considered the effect of closing the Gwynedd Station on postal services provided to Gwynedd customers, as is clearly evident in the FD. The closing is premised upon providing regular and effective postal services to Gwynedd customers. The Petitioner, in her letter of appeal and initial brief, expresses concern about the effect on postal services of Gwynedd Station's closing, noting the convenience of the Gwynedd Station and requesting its retention. The Petitioner identifies the concerns addressed in the FD as "(1) senior citizens; (2) having to travel to another post office for service; (3) inconvenient access at Spring House; (4) the parking situation at Spring House; (5) the need for a change of address on bank checks and stationery; (6) the need for a change of address; (7) the singling out of Gwynedd for discontinuance; (8) how to request a refund of the box rent fee."<sup>11</sup> These issues were thoughtfully considered in the FD<sup>12</sup> and during the Community Meeting.<sup>13</sup> The Postal Service explained that carrier service is beneficial to many senior citizens. The Postal Service informed customers that, after the discontinuance of Gwynedd Station, customers would receive city delivery service administered by the North

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<sup>11</sup> Initial Brief in Support of Petition, PRC Docket No. A2011-15 (June 7, 2011), at 8.

<sup>12</sup> FD at 1-2.

<sup>13</sup> Item No. 24, Community Meeting Analysis.

Wales, Pennsylvania Post Office, located two miles away and would have the option of moving their Post Office Box to the Springhouse, Pennsylvania Classified Station located two miles away. FD at 1; Item No. 24, Community Meeting Analysis. In addition, the Postal Service identified numerous retail service options available to customers, including the North Wales Post Office located within 2 miles of the Gwynedd Station, and the ability to purchase stamps by telephone, through the internet, or at stamp consignment locations listed at [www.usps.com](http://www.usps.com). FD at 1; Item No. 24, Community Meeting Analysis at 1. The Postal Service explained that some customers may find that the Springhouse Station is more convenient than the Gwynedd Station, that there is parking in the front and rear of the Springhouse Station, and that there are handicap spaces available for customers with disabilities. FD at 2; Item No. 24, Community Meeting Analysis, at 1. The Postal Service also explained that customers will be assigned a street address, which will retain the community name and ZIP Code. Mail will be forwarded in accordance with postal regulations and change of address forms are available from the Postal Service to assist customers in notifying correspondents of the change. Customers may deplete their current supply of checks and stationery and make the address corrections when ordering new supplies. FD at 2

The Postal Service further considered the Petitioner's concerns regarding the effect of its decision to close the Gwynedd Station upon the Gwynedd community. The FD makes clear that the Postal Service is addressing this

concern through the preservation of the community identity by continuing the use of the Gwynedd name and ZIP code in addresses. FD at 3.

Postal officials also considered the economic savings that would result from the closing of the Gwynedd Station. The FD includes a breakdown of the costs that serve as a basis for the Postal Service's estimate of economic savings. FD at 4. The Postal Service estimates that city delivery service administered by the North Wales Post Office located two miles away would cost the Postal Service substantially less than maintaining the Gwynedd Station and would still provide regular and effective service. The estimated annual savings associated with discontinuing the Gwynedd Station is \$34,270.00. FD at 4. The Petitioner's letter of appeal and initial brief questions these figures. However, the Postal Service has determined that city delivery service administered by the North Wales Post Office, located two miles away, is the most cost-effective solution for providing regular and effective service to the Gwynedd community. FD; Item No. 26, Discontinuance Checklist, at 4.

The Postal Service determined that the impact of the discontinuance of the Gwynedd Station on postal employees is minimal. The clerk will be reassigned to the North Wales Post Office. FD at 3; Item No. 26, Discontinuance Checklist, at 3.

As reflected throughout the FD, the Postal Service carefully considered the effect of closing the Gwynedd Station on the provision of postal services and on the Gwynedd community, as well as the economic savings that would result, the effect on postal employees, and other factors.

After taking all factors into consideration, the Postal Service determined that the advantages outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Gwynedd customers. FD at 4.

For the reasons set forth above, and in the Notice of Filing in this docket and the Postal Service Comments in PRC Docket No. A2010-3, the appeal should be dismissed.

Respectfully submitted,

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